

**Ratchaburi Electricity Generating Holding
Public Company Limited and its subsidiaries**

Interim financial statements
and
Review Report of Certified Public Accountant

For the three-month period ended
31 March 2010



KPMG Phoomchai Audit Ltd.

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Review Report of Certified Public Accountant

To the Board of Directors of Ratchaburi Electricity Generating Holding Public Company Limited

I have reviewed the accompanying consolidated and separate balance sheets as at 31 March 2010, and the related statements of income, changes in equity and cash flows for the three-month periods ended 31 March 2010 and 2009 of Ratchaburi Electricity Generating Holding Public Company Limited and its subsidiaries, and of Ratchaburi Electricity Generating Holding Public Company Limited, respectively. The Company's management is responsible for the correctness and completeness of information presented in these financial statements. My responsibility is to issue a report on these financial statements based on my reviews.

I conducted my reviews in accordance with the auditing standard on review engagements. This Standard requires that I plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit in accordance with generally accepted auditing standards. I have not performed an audit and, accordingly, I do not express an audit opinion on the reviewed financial statements.

Based on my reviews, nothing has come to my attention that causes me to believe that the financial statements referred to above are not presented fairly, in all material respects, in accordance with generally accepted accounting principles.

I have previously audited the consolidated and separate financial statements for the year ended 31 December 2009 of Ratchaburi Electricity Generating Holding Public Company Limited and its subsidiaries, and of Ratchaburi Electricity Generating Holding Public Company Limited, respectively, in accordance with generally accepted auditing standards and expressed an unqualified opinion on those financial statements in my report dated 15 February 2010. I have not performed any auditing procedures since that date. The consolidated and separate balance sheets as at 31 December 2009, which are included in the accompanying financial statements for comparative purposes, are components of those financial statements.

(Vairoj Jindamaneejitak)
Certified Public Accountant
Registration No. 3565

KPMG Phoomchai Audit Ltd.
Bangkok
11 May 2010

Ratchaburi Electricity Generating Holding Public Company Limited

Balance sheets

As at 31 March 2010 and 31 December 2009

Assets	Note	Consolidated		Separate	
		financial statements		financial statements	
		31 March	31 December	31 March	31 December
		2010	2009	2010	2009
		(Unaudited)		(Unaudited)	
(in thousand Baht)					
<i>Current assets</i>					
Cash and cash equivalents	4	3,476,872	3,774,088	2,429,954	1,418,702
Current investments	4	8,053,731	8,253,769	8,050,000	8,250,000
Trade accounts receivable from related parties	3	7,427,061	5,214,463	-	-
Dividend receivable	3	-	-	1,862,026	2,714,414
Advances to and other receivables from related parties	3	12,769	17,969	5,435	12,683
Short-term loan to related party	3	55,360	360	755,360	360
Current portion of long-term loans to related party	3	-	62,500	-	62,500
Spare parts and supplies		1,662,286	1,778,136	-	-
Other current assets		254,198	95,126	72,865	70,253
Total current assets		20,942,277	19,196,411	13,175,640	12,528,912
<i>Non-current assets</i>					
Long-term trade receivable from related parties	3	9,902	9,902	-	-
Long-term receivable from related parties	3	9,307	-	9,961	92,688
Investments in subsidiaries	3,5	-	-	20,144,717	20,144,717
Investments in jointly-controlled entities	3,6	9,467,001	9,493,610	1,984,613	1,914,882
Investment in other company	7	35,106	35,106	35,106	35,106
Other long-term investments	4	469,360	469,383	468,000	468,000
Long-term loans to related parties	3	62,500	-	1,123,400	1,412,781
Property, plant and equipment	8	36,786,212	37,456,864	84,172	88,883
Land for future development projects		304,974	304,974	304,974	304,974
Intangible assets		677,976	678,270	670,822	670,774
Other non-current assets	9	1,879,810	1,697,303	1,036,618	858,566
Total non-current assets		49,702,148	50,145,412	25,862,383	25,991,371
Total assets		70,644,425	69,341,823	39,038,023	38,520,283

The accompanying notes are an integral part of these financial statements.

Ratchaburi Electricity Generating Holding Public Company Limited

Balance sheets

As at 31 March 2010 and 31 December 2009

		Consolidated		Separate	
		financial statements		financial statements	
Liabilities and equity	Note	31 March	31 December	31 March	31 December
		2010	2009	2010	2009
		(Unaudited)		(Unaudited)	
			(in thousand Baht)		
<i>Current liabilities</i>					
Short-term loan from financial institution	10	1,550,000	-	-	-
Trade account payable to related party	3	707,672	202,687	-	-
Trade account payable to other party		1,965,051	3,544,485	-	-
Current portion of long-term loans					
from financial institutions		2,501,736	2,034,875	-	-
Current portion of debentures		374,971	749,913	-	-
Current portion of financial lease liability		1,397	-	-	-
Income tax payable		370,747	204,503	-	-
Dividend payables	13	1,676,478	9,170	1,676,478	9,170
Other current liabilities	3	1,139,679	1,217,060	690,205	767,195
Total current liabilities		10,287,731	7,962,693	2,366,683	776,365
<i>Non-current liabilities</i>					
Long-term loans from financial institutions		16,038,511	16,854,995	-	-
Financial lease liability		4,273	-	-	-
Total non-current liabilities		16,042,784	16,854,995	-	-
Total liabilities		26,330,515	24,817,688	2,366,683	776,365
<i>Equity</i>					
Share capital					
Authorised share capital		14,500,000	14,500,000	14,500,000	14,500,000
Issued and paid-up share capital		14,500,000	14,500,000	14,500,000	14,500,000
Share premium		1,531,778	1,531,778	1,531,778	1,531,778
Retained earnings					
Appropriated					
Legal reserve		1,450,000	1,450,000	1,450,000	1,450,000
Unappropriated		26,832,132	27,042,357	19,189,562	20,262,140
Total equity		44,313,910	44,524,135	36,671,340	37,743,918
Total liabilities and equity		70,644,425	69,341,823	39,038,023	38,520,283

The accompanying notes are an integral part of these financial statements.

Ratchaburi Electricity Generating Holding Public Company Limited and its Subsidiaries

Statements of income

For the three-month periods ended 31 March 2010 and 2009 (Unaudited)

		Consolidated		Separate	
		financial statements		financial statements	
	Note	2010	2009	2010	2009
		(in thousand Baht)			
Revenue from sale and rendering of services	3	9,884,681	7,688,392	-	-
Cost of sale and rendering of services	3	(8,354,171)	(5,403,378)	-	-
Gross profit		1,530,510	2,285,014	-	-
Management Service income	3	35,940	31,578	38,306	32,931
Dividend income	3, 5, 6	-	-	596,882	1,289,902
Interest income	3	52,945	88,497	50,833	88,771
Other income	3	46,821	13,978	19,002	2,011
Profit before expenses		1,666,216	2,419,067	705,023	1,413,615
Administrative expenses		(162,783)	(142,080)	(91,355)	(77,208)
Management benefit expenses		(26,427)	(26,251)	(17,956)	(18,105)
Total expenses		(189,210)	(168,331)	(109,311)	(95,313)
Share of profit of jointly-controlled entities	6	340,160	126,032	-	-
Profit before finance costs and income tax expense		1,817,166	2,376,768	595,712	1,318,302
Finance costs		(169,484)	(259,997)	-	-
Profit before income tax expense		1,647,682	2,116,771	595,712	1,318,302
Income tax expense		(190,407)	(273,490)	(790)	(8,951)
Net profit for the period		1,457,275	1,843,281	594,922	1,309,351
 Basic earnings per share (Baht)	 12	 <u>1.01</u>	 <u>1.27</u>	 <u>0.41</u>	 <u>0.90</u>

The accompanying notes are an integral part of these financial statements.

Ratchaburi Electricity Generating Holding Public Company Limited

Statements of changes in equity

For the three-month periods ended 31 March 2010 and 2009 (Unaudited)

Consolidated financial statements						
		Retained earnings				
		Issued and paid-up share capital	Share premium	Legal reserve	Unappropriated	Total equity
				<i>(in thousand Baht)</i>		
Balance at 1 January 2009		14,500,000	1,531,778	1,450,000	23,492,761	40,974,539
Net profit for the period		-	-	-	1,843,281	1,843,281
Dividends	13	-	-	-	(1,595,000)	(1,595,000)
Balance at 31 March 2009		14,500,000	1,531,778	1,450,000	23,741,042	41,222,820
Balance at 1 January 2010		14,500,000	1,531,778	1,450,000	27,042,357	16,031,778
Net profit for the period		-	-	-	1,457,275	1,457,275
Dividends	13	-	-	-	(1,667,500)	(1,667,500)
Balance at 31 March 2010		14,500,000	1,531,778	1,450,000	26,832,132	15,821,553

The accompanying notes are an integral part of these financial statements.

Ratchaburi Electricity Generating Holding Public Company Limited

Statements of changes in equity

For the three-month periods ended 31 March 2010 and 2009 (Unaudited)

	Note	Separate financial statements				
		Issued and paid-up share capital	Share premium	Retained earnings		Total equity
				Legal reserve	Unappropriated	
				<i>(in thousand Baht)</i>		
Balance at 1 January 2009		14,500,000	1,531,778	1,450,000	17,507,303	34,989,081
Net profit for the period		-	-	-	1,309,351	1,309,351
Dividends	13	-	-	-	(1,595,000)	(1,595,000)
Balance at 31 March 2009		14,500,000	1,531,778	1,450,000	17,221,654	34,703,432
Balance at 1 January 2010		14,500,000	1,531,778	1,450,000	20,262,140	37,743,918
Net profit for the period		-	-	-	594,922	594,922
Dividends	13	-	-	-	(1,667,500)	(1,667,500)
Balance at 31 March 2010		14,500,000	1,531,778	1,450,000	19,189,562	36,671,340

The accompanying notes are an integral part of these financial statements.

Ratchaburi Electricity Generating Holding Public Company Limited

Statements of cash flows

For the three-month periods ended 31 March 2010 and 2009 (Unaudited)

	Consolidated		Separate	
	financial statements		financial statements	
	2010	2009	2010	2009
	(in thousand Baht)			
<i>Cash flows from operating activities</i>				
Net profit for the period	1,457,275	1,843,281	594,922	1,309,351
<i>Adjustments for</i>				
Depreciation and amortisation	692,396	687,253	5,748	2,920
Interest income	(52,945)	(88,497)	(50,833)	(88,771)
Finance costs	169,484	259,997	-	-
Provision for obsolescence of spare parts and supplies	11,917	19,071	-	-
Unrealised (gain) loss on exchange	(23,146)	13,610	(18,810)	11,355
Dividend income	-	-	(596,882)	(1,289,902)
(Gain) loss on disposal of property, plant and equipment	(258)	(1,969)	-	(1,969)
Shares of profit of jointly-controlled entities	(340,160)	(126,032)	-	-
Income tax expense	190,407	273,490	790	8,951
	<u>2,104,970</u>	<u>2,880,204</u>	<u>(65,065)</u>	<u>(48,065)</u>
<i>Changes in operating assets and liabilities</i>				
Trade accounts receivable from related parties	(2,212,598)	456,840	-	-
Advances to and other receivables from related parties	(2,187)	12,257	(628)	(528)
Spare parts and supplies	103,933	(419)	-	-
Other current assets and non-current assets	(398,191)	(189,362)	(175,313)	(128,956)
Trade account payable from related party	504,985	-	-	-
Trade account payable from other party	(1,579,434)	(874,611)	-	-
Other current liabilities	7,836	(60,756)	(58,180)	(29,279)
Finance costs paid	(169,432)	(260,075)	-	-
Income tax paid	(27,103)	(17,125)	(2,758)	(2,530)
Net cash provided by (used in) operating activities	<u>(1,667,221)</u>	<u>1,946,953</u>	<u>(301,944)</u>	<u>(209,358)</u>

The accompanying notes are an integral part of these financial statements.

Ratchaburi Electricity Generating Holding Public Company Limited

Statements of cash flows

For the three-month periods ended 31 March 2010 and 2009 (Unaudited)

	Consolidated		Separate	
	financial statements		financial statements	
	2010	2009	2010	2009
	(in thousand Baht)			
<i>Cash flows from investing activities</i>				
Interest received	48,502	136,249	138,005	123,174
Dividends received	450,000	-	1,449,270	1,795,984
Purchases of property, plant and equipment	(6,445)	(17,152)	(1,037)	(9,632)
Sale of property, plant and equipment	649	2,566	-	2,566
Net cash inflow (outflow) in current investments	200,000	(1,202,285)	200,000	(1,892,471)
Cash outflow on acquisition of other long-term investments	-	(68,000)	-	(68,000)
Decrease in short-term loans to related party	-	-	-	1,200,000
Increase in short-term loans to related party	(55,000)	-	(755,000)	(1,200,000)
Decrease in long-term loans to related party	-	-	351,881	-
Cash outflow on acquisition of investments				
in jointly-controlled entities	(83,231)	(269,608)	(69,731)	(269,607)
Net cash provided by (used in) investing activities	554,475	(1,418,230)	1,313,388	(317,986)
<i>Cash flows from financing activities</i>				
Dividends paid to equity holders of the Company	(192)	(140)	(192)	(140)
Proceeds from short-term loan from financial institution	1,550,000	780,000	-	-
Repayment of short-term borrowing	-	(780,000)	-	-
Repayment of finance lease liability	(201)	-	-	-
Repayment of long-term borrowing	(359,077)	(475,535)	-	-
Redemption of debentures	(375,000)	(375,000)	-	-
Net cash provided by (used in) financing activities	815,530	(850,675)	(192)	(140)
Net increase (decrease) in cash and cash equivalents	(297,216)	(321,952)	1,011,252	(527,484)
Cash and cash equivalents at beginning of period	3,774,088	4,651,285	1,418,702	4,033,725
Cash and cash equivalents at end of period	3,476,872	4,329,333	2,429,954	3,506,241

The accompanying notes are an integral part of these financial statements.

Ratchaburi Electricity Generating Holding Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month period ended 31 March 2010 (Unaudited)

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Ratchaburi Electricity Generating Holding Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month period ended 31 March 2010 (Unaudited)

These notes form an integral part of the financial statements.

The interim financial statements were authorised for issue by the Management authorised by the Board of Directors on 11 May 2010.

1 General information

Ratchaburi Electricity Generating Holding Public Company Limited, the “Company”, is incorporated in Thailand and has its registered office at 555/1 Energy Complex, Building A 7th Floor, Vibhavadi Rangsit Road, Chatuchak, Chatuchak, Bangkok, Thailand.

The Company was listed on the Stock Exchange of Thailand in October 2000.

The Company’s major shareholders during the financial year were Electricity Generating Authority of Thailand (“EGAT”), holding 45% of total ordinary shares of the Company, and EGAT Employee’s Registered Provident Fund, holding 0.30% of total ordinary shares of the Company.

The principal businesses of the Company are the investing in companies, whose objectives are to generate and sell electricity. Details of the Company’s subsidiaries and jointly-controlled entities as at 31 March 2009 and 31 December 2009 were as follows:

Name of the entity	Type of business	Country of incorporation	Ownership interest (%)	
			31 March 2010	31 December 2009
<i>Direct subsidiaries</i>				
Ratchaburi Electricity Generating Company Limited	Generating and selling electricity	Thailand	99.99	99.99
Ratchaburi Energy Company Limited	Developing and operating power plant and investing in the power energy business	Thailand	99.99	99.99
Ratchaburi Gas Company Limited	Investing in the power energy business	Thailand	99.99	99.99
Ratch Udom Power Company Limited	Investing in the power energy business	Thailand	99.99	99.99
Ratchaburi Alliances Company Limited	Investing in the power energy business	Thailand	99.99	99.99
RATCH-Lao Services Company Limited	Providing operation and maintenance services	Lao PDR	99.99	99.99
RH International Corporation Limited	Investing in the power energy business	Thailand	99.99	99.99

Ratchaburi Electricity Generating Holding Public Company Limited and its Subsidiaries
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For the three-month period ended 31 March 2010 (Unaudited)

Name of the entity	Type of business	Country of incorporation	Ownership interest (%)	
			31 March 2010	31 December 2009
<i>Jointly-controlled entities</i>				
Tri Energy Company Limited	Generating and selling electricity	Thailand	50	50
Ratchaburi Power Company Limited	Generating and selling electricity	Thailand	25	25
Chubu Ratchaburi Electric Services Company Limited	Providing operation and maintenance services	Thailand	50	50
SouthEast Asia Energy Limited	Investing in the power energy business	Thailand	33.33	33.33
Sustainable Energy Corporation Company Limited	Investing in the power energy business	Thailand	30	30
Hongsa Power Company Limited	Generating and selling electricity	Lao PDR	40	40
Phufai Mining Company Limited	Coal mining and trading	Lao PDR	37.5	37.5

2 Basis of preparation of the financial statements

The interim financial statements issued for Thai reporting purposes are prepared in the Thai language. This English translation of the financial statements has been prepared for the convenience of readers not conversant with the Thai language.

The interim financial statements are prepared on a condensed basis in accordance with Thai Accounting Standard No. 34 *Interim Financial Reporting* including related interpretations and guidelines promulgated by the Federation of Accounting Professions ("FAP"), applicable rules and regulations of the Securities and Exchange Commission and with generally accepted accounting principles in Thailand.

The interim financial statements are prepared to provide an update on the financial statements for the year ended 31 December 2009. They focus on new activities, events and circumstances to avoid repetition of information previously reported. Accordingly, these interim financial statements should be read in conjunction with the financial statements for the year ended 31 December 2009.

The interim financial statements are presented in Thai Baht, rounded to the nearest thousand unless otherwise stated.

Accounting policies and methods of computation applied in the interim financial statements for the three-month ended 31 March 2010 are consistent with those applied in the financial statements for the year ended 31 December 2009.

Ratchaburi Electricity Generating Holding Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month period ended 31 March 2010 (Unaudited)

3 Related party transactions and balances

Related parties are those parties linked to the Group and the Company as shareholders or by common shareholders or directors. Transactions with related parties are conducted at prices based on market prices or, where no market price exists, at contractually agreed prices.

Relationships with related parties that control or jointly control the Company or are being controlled or jointly-controlled by the Company or have transactions with the Company/Group were as follows:

Name of entities	Country of incorporation/ nationality	Nature of relationships
Electricity Generating Authority of Thailand	Thailand	Major shareholder, some common directors
Ratchaburi Electricity Generating Company Limited	Thailand	Subsidiary, 99.99% shareholding, some common directors
Ratchaburi Energy Company Limited	Thailand	Subsidiary, 99.99% shareholding
Ratchaburi Gas Company Limited	Thailand	Subsidiary, 99.99% shareholding
Ratch Udom Power Company Limited	Thailand	Subsidiary, 99.99% shareholding
Ratchaburi Alliances Company Limited	Thailand	Subsidiary, 99.99% shareholding by a subsidiary
RATCH-Lao Services Company Limited	Lao PDR	Subsidiary, 99.99% shareholding
RH International Corporation Limited	Thailand	Subsidiary, 99.99% shareholding
Tri Energy Company Limited	Thailand	Jointly-controlled entity of subsidiary, 50% shareholding by a subsidiary
Ratchaburi Power Company Limited	Thailand	Jointly-controlled entity of subsidiary, 25% shareholding by a subsidiary
Chubu Ratchaburi Electric Services Company Limited	Thailand	Jointly-controlled entity of the Company, 50% shareholding
SouthEast Asia Energy Limited	Thailand	Jointly-controlled entity of the Company, 33.33% shareholding
Sustainable Energy Corporation Company Limited	Thailand	Jointly-controlled entity of subsidiary, 30% shareholding by a subsidiary
Hongsa Power Company Limited	Lao PDR	Jointly-controlled entity of the Company, 40% shareholding

Ratchaburi Electricity Generating Holding Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month period ended 31 March 2010 (Unaudited)

Name of entities	Country of incorporation/ nationality	Nature of relationships
Phufai Mining Company Limited	Lao PDR	Jointly-controlled entity of the Company, 37.50% shareholding
Nam Ngum 2 Power Company Limited	Lao PDR	Subsidiary of a jointly-controlled entity, 75% shareholding by a jointly-controlled entity

The pricing policies for particular types of transactions are explained further below:

Transactions	Pricing policies
Sale of electricity	Contractually agreed price
Service income on operation and maintenance services	Contractually agreed price
Management service income	Contractually agreed price
Purchase of goods/raw materials	Contractually agreed price
Receiving of services	Contractually agreed price
Interest income	Contractually agreed rate
Other income	Contractually agreed price

Significant transactions for the three-month periods ended 31 March 2010 and 2009 with related parties were as follows:

	Consolidated financial statements		Separate financial statements	
	2010	2009	2010	2009
	<i>(in thousand Baht)</i>			
Major Shareholder				
Sale of electricity	9,881,828	7,688,392	-	-
Purchase of fuel	660,568	-	-	-
Purchase of electricity	46,399	53,362	-	-
Operation and maintenance services fee	265,131	257,187	-	-
Subsidiaries				
Management service income	-	-	2,366	1,353
Dividend income	-	-	596,882	1,274,902
Interest income	-	-	5,037	9,744
Jointly-controlled entities				
Operation and maintenance services income	2,853	-	-	-
Management service income	35,006	31,881	35,006	31,881
Dividend income	-	-	-	15,000
Interest income	1,403	1,193	1,403	1,193
Other income	2,832	-	-	-

Ratchaburi Electricity Generating Holding Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month period ended 31 March 2010 (Unaudited)

Balances as at 31 March 2010 and 31 December 2009 with related parties were as follows:

<i>Trade accounts receivable from related parties</i>	Consolidated financial statements		Separate financial statements	
	31 March 2010	31 December 2009 <i>(in thousand Baht)</i>	31 March 2010	31 December 2009
Major Shareholder				
Electricity Generating Authority of Thailand	7,426,110	5,213,512	-	-
Jointly-controlled entity				
Nam Ngum 2 Power Company Limited	951	951	-	-
Less allowance for doubtful accounts	-	-	-	-
Net	<u>7,427,061</u>	<u>5,241,463</u>	<u>-</u>	<u>-</u>
	2010	2009 <i>(in thousand Baht)</i>	2010	2009
Bad and doubtful debts expense for the: - three-month period ended 31 March	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

Aging analyses for trade accounts receivable were as follows:

	Consolidated financial statements		Separate financial statements	
	31 March 2010	31 December 2009 <i>(in thousand Baht)</i>	31 March 2010	31 December 2009
Related parties				
Within credit terms	7,427,061	5,214,463	-	-
Less allowance for doubtful accounts	-	-	-	-
Net	<u>7,427,061</u>	<u>5,214,463</u>	<u>-</u>	<u>-</u>

The normal credit term granted by the Group is not exceeding 1 month.

<i>Dividend receivable</i>	Consolidated financial statements		Separate financial statements	
	31 March 2010	31 December 2009 <i>(in thousand Baht)</i>	31 March 2010	31 December 2009
Subsidiary				
Ratchaburi Electricity Generating Company Limited	<u>-</u>	<u>-</u>	<u>1,862,026</u>	<u>2,714,414</u>

Ratchaburi Electricity Generating Holding Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month period ended 31 March 2010 (Unaudited)

<i>Advances to and other receivables from related parties</i>	Consolidated financial statements		Separate financial statements	
	31 March 2010	31 December 2009 <i>(in thousand Baht)</i>	31 March 2010	31 December 2009
Major Shareholder				
Electricity Generating Authority of Thailand	1,105	540	-	-
Subsidiaries				
Ratchaburi Electricity Generating Company Limited	-	-	401	378
Ratchaburi Energy Company Limited	-	-	86	101
RATCH-Lao Services Company Limited	-	-	1,005	335
RH International Corporation Limited	-	-	-	29
Jointly-controlled entities				
Tri Energy Company Limited	2,153	2,153	2,153	2,153
Ratchaburi Power Company Limited	7,721	5,589	-	-
Chubu Ratchaburi Electric Services Company Limited	803	807	803	807
SouthEast Asia Energy Limited	449	8,630	449	8,630
Sustainable Energy Corporation Company Limited	224	212	224	212
Hongsa Power Company Limited	314	8	314	8
Other company				
EGAT Diamond Service Company Limited	-	30	-	30
Total	12,769	17,969	5,435	12,683
 <i>Long-term trade account receivable from related party</i>				
	Consolidated financial statements		Separate financial statements	
	31 March 2010	31 December 2009 <i>(in thousand Baht)</i>	31 March 2010	31 December 2009
Major Shareholder				
Electricity Generating Authority of Thailand	9,902	9,902	-	-
 <i>Long-term receivables from related parties</i>				
	Consolidated financial statements		Separate financial statements	
	31 March 2010	31 December 2009 <i>(in thousand Baht)</i>	31 March 2010	31 December 2009
Subsidiary				
Ratch Udom Power Company Limited	-	-	654	92,688
Jointly-controlled entity				
SouthEast Asia Energy Limited	9,307	-	9,307	-
Total	9,307	-	9,961	92,688

Ratchaburi Electricity Generating Holding Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month period ended 31 March 2010 (Unaudited)

<i>Loans to related parties</i>	Interest rate		Consolidated financial statements		Separate financial statements	
	2010	2009	31 March 2010	31 December 2009	31 March 2010	31 December 2009
	<i>(% per annum)</i>		<i>(in thousand Baht)</i>			
Short-term loans						
Subsidiary						
Ratchaburi Electricity Generating Company Limited	1.50	-	-	-	700,000	-
Jointly-controlled entity						
Hongsa Power Company Limited	6.69	6.69	55,360	360	55,360	360
Less allowance for doubtful accounts			-	-	-	-
Short-term loans to related parties-net			55,360	360	755,360	360
Long-term loans						
Subsidiary						
Ratch Udom Power Company Limited	1.50	1.50	-	-	1,060,900	1,412,781
Jointly-controlled entities						
SouthEast Asia Energy Limited	7.12	7.12	62,500	62,500	62,500	62,500
			62,500	62,500	1,123,400	1,475,281
Less current portion			-	(62,500)	-	(62,500)
allowance for doubtful accounts			-	-	-	-
Long-term loans to related parties-net			62,500	-	1,123,400	1,412,781
Summary of loans to related parties						
Short-term loans			55,360	360	755,360	360
Long-term loans			62,500	62,500	1,123,400	1,475,281
			117,860	62,860	1,878,760	1,475,641
Less allowance for doubtful accounts			-	-	-	-
Total loans to related parties-net			117,860	62,860	1,878,760	1,475,641
			2010	2009	2010	2009
			<i>(in thousand Baht)</i>			
Bad and doubtful debts expense for the:						
- three-month period ended 31 March			-	-	-	-

Ratchaburi Electricity Generating Holding Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month period ended 31 March 2010 (Unaudited)

Movements during the three-month periods ended 31 March 2010 and 2009 of loans to related parties were as follows:

<i>Loans to related parties</i>	Consolidated financial statements		Separate financial statements	
	2010	2009	2010	2009
	<i>(in thousand Baht)</i>			
Short-term loans				
Subsidiary				
At 1 January	-	-	-	-
Increase	-	-	700,000	1,200,000
Decrease	-	-	-	(1,200,000)
At 31 March	<u>-</u>	<u>-</u>	<u>700,000</u>	<u>-</u>
Jointly-controlled entity				
At 1 January	360	-	360	-
Increase	55,000	-	55,000	-
Decrease	-	-	-	-
At 31 March	<u>55,360</u>	<u>-</u>	<u>55,360</u>	<u>-</u>
Long-term loans				
Subsidiary				
At 1 January	-	-	1,412,781	1,412,781
Increase	-	-	-	-
Decrease	-	-	(351,881)	-
At 31 March	<u>-</u>	<u>-</u>	<u>1,060,900</u>	<u>1,412,781</u>
Jointly-controlled entity				
At 1 January	62,500	62,500	62,500	62,500
Increase	-	-	-	-
Decrease	-	-	-	-
At 31 March	<u>62,500</u>	<u>62,500</u>	<u>62,500</u>	<u>62,500</u>
Investments in subsidiaries				
	Consolidated financial statements		Separate financial statements	
	31	31	31	31
	March	December	March	December
	2010	2009	2010	2009
	<i>(in thousand Baht)</i>			
Subsidiaries	<u>-</u>	<u>-</u>	<u>20,144,177</u>	<u>20,144,177</u>
Investments in jointly-controlled entities				
	Consolidated financial statements		Separate financial statements	
	31	31	31	31
	March	December	March	December
	2010	2009	2010	2009
	<i>(in thousand Baht)</i>			
Jointly-controlled entities	<u>9,467,001</u>	<u>9,493,610</u>	<u>1,984,613</u>	<u>1,914,882</u>

Ratchaburi Electricity Generating Holding Public Company Limited and its Subsidiaries
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For the three-month period ended 31 March 2010 (Unaudited)

<i>Trade account payable to related party</i>	Consolidated		Separate	
	financial statements		financial statements	
	31	31	31	31
	March	December	March	December
	2010	2009	2010	2009
	<i>(in thousand Baht)</i>			

Major Shareholder

Electricity Generating Authority of Thailand	<u>707,672</u>	<u>202,687</u>	<u>-</u>	<u>-</u>
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Other accounts payable to related parties

	Consolidated		Separate	
	financial statements		financial statements	
	31	31	31	31
	March	December	March	December
	2010	2009	2010	2009
	<i>(in thousand Baht)</i>			

Major Shareholder

Electricity Generating Authority of Thailand	19,890	29,066	-	-
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Subsidiary

Ratchaburi Electricity Generating Company Limited	-	-	-	519
Total	<u>19,890</u>	<u>29,066</u>	<u>-</u>	<u>519</u>

Unearned revenue and accrued expenses-related parties

	Consolidated		Separate	
	financial statements		financial statements	
	31	31	31	31
	March	December	March	December
	2010	2009	2010	2009
	<i>(in thousand Baht)</i>			

Major Shareholder

Electricity Generating Authority of Thailand	29,440	71,728	-	-
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Jointly-controlled entity

Ratchaburi Power Company Limited	17,963	15,210	13,714	13,794
Total	<u>47,403</u>	<u>86,938</u>	<u>13,714</u>	<u>13,794</u>

Significant agreements with related parties

Short-term loans to related parties

As at 31 March 2010, the Company granted loan to Ratchaburi Electricity Generating Company Limited, a subsidiary, amounting to Baht 700 million by an issuance of promissory note which bear interest at the rate of 1.5% per annum. The Company already received such loan in total amount in April 2010.

As at 31 March 2010, the Company granted loans to Hongsa Power Company Limited, a jointly-controlled entity, in the proportion of investment of 40%, amounting to Baht 55.4 million which bear interest at the rates as stipulated in the agreement. Such loan will be repayable when the jointly controlled entity receives the loan approval from financial institutions, as described in Note 9.

Ratchaburi Electricity Generating Holding Public Company Limited and its Subsidiaries
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Long-term loans to related parties

The Company granted loans to Ratch Udom Power Company Limited, a subsidiary, amounting to Baht 1,412.78 million which bear interest at the rates as stipulated in the agreement under the existing agreement and condition, by an issuance of promissory notes held at call to the Company. During the 1st quarter of 2010, such subsidiary made repayment to the Company amounting to Baht 351.88 million. As at 31 March 2010, the Company had the outstanding balance of such loans amounting to Baht 1,060.90 million. The Company has no intention to recall such loans from the subsidiary within one year. Therefore, the Company classified such loans as long-term loans.

The Company granted loans to SouthEast Asia Energy Limited, Vientiane Branch, a jointly-controlled entity, amounting to Baht 62.5 million which bear interest at the rates as stipulated in the agreement. The Company recorded such loans as loans due within one year since the loan agreement determines the repayment term of principal and interest within 30 months commencing from the signing date in the Shareholders' Loan Agreement or the loan approval date from the financial institutions to the jointly-controlled entity, whichever is the earlier. However, on 12 February 2010, the Company has amended the loan agreement with such jointly-controlled entity by extension of the period of repayment and its interest for another 18 months which will be due on 4 September 2011.

Power Purchase Agreement

On 9 October 2000, Ratchaburi Electricity Generating Company Limited, a subsidiary, entered into the Power Purchase Agreement with EGAT for the period of 25 years, whereby the subsidiary will deliver the Net Electrical Generation from the Thermal Generating Units 1 and 2 and the Combined Cycle Generating Blocks 1, 2 and 3 to EGAT as defined in the agreements. Under the Power Purchase Agreement, the subsidiary will receive revenue from EGAT comprising of an Availability Payment (AP) and an Energy Payment (EP). The Availability Payment (AP) covers repayment of principal and interest of loan, equity return for shareholders, fixed expenses in operation and maintenance, and administrative expenses. Such expenses will be adjusted to cover the change of interest rate, Consumer Price Index and exchange rate. The Energy Payment (EP) covers production costs comprising of fuel costs variable costs in operation and maintenance, which will be adjusted in accordance with the fuel price, efficiency ratio and Consumer Price Index.

On 3 December 2008, Ratchaburi Energy Company Limited, a subsidiary, entered into the 2 Megawatts Power Purchase Agreement with EGAT for the period of 5 years. The contract can be extended for a period of five years subject to the provision of written notice to the counterparty within 30 days before the contract expiry date.

Operation and Maintenance Agreement and Other Service Agreements

On 7 January 2009, Ratchaburi Electricity Generating Company Limited, a subsidiary, entered into the Operation and Maintenance Agreement with EGAT whereby EGAT will operate and provide general maintenance services including major overhaul for the subsidiary. The total operation and general maintenance charge including services charges for major maintenance are approximately Baht 16,608.16 million, adjusted by the annual Consumer Price Index. The contract is valid from 1 January 2009 until the termination dates of the Power Purchase Agreements for Thermal Generating Units and Combined Cycle Generating Units.

Ratchaburi Electricity Generating Holding Public Company Limited and its Subsidiaries
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Land Lease Agreement and Common Facility Agreement

On 7 June 2004 and 21 October 2005, Ratchaburi Electricity Generating Company Limited, a subsidiary, entered into the Land Lease Agreement with Ratchaburi Power Company Limited to lease an area of 145 rais in the Ratchaburi Power Plant area for a power plant project to Ratchaburi Power Company Limited for the period of 25 years and 3 months commencing from Ratchaburi Power's commercial operation date.

On 25 November 2005, Ratchaburi Electricity Generating Company Limited, a subsidiary, entered into the Common Facility Agreement with Ratchaburi Power Company Limited whereby the subsidiary will provide certain facilities, utilities, services, right to use and access rights relating to the construction and operation of the facility to Ratchaburi Power Company Limited as defined in the agreement. This agreement is effective from the signing date in the agreement and will be expired on the expiry date of the Land Lease Agreement dated 7 June 2004.

Management Service Agreement

On 27 February 2004, the Company entered into the Management Service Agreement with Ratchaburi Power Company Limited whereby the Company will receive management fee from Ratchaburi Power Company Limited amounting to U.S. Dollars 2.5 million per year for the period of 25 years and 3 months commencing from the commercial operation date of the first unit of Ratchaburi Power Company Limited with total contract value of U.S. Dollars 63.12 million.

Agreements in relation to investments in Chubu Ratchaburi Electric Services Company Limited

On 29 September 2005, the Company and Chubu Electric Power (Thailand) Company Limited entered into the Shareholders Agreement to set up Chubu Ratchaburi Electric Services Company Limited and made the first payment of paid-up capital in proportion of each equity holder totaling Baht 10 million. As at 31 March 2010, the Company has commitment to make payment for the unpaid share capital amounting to Baht 10 million. In addition, under this Shareholders Agreement, should Chubu Ratchaburi Electric Services Company Limited require additional funding exceeding its registered capital, the Company agreed to provide financial support in the form of shareholder loans or any guarantees to Chubu Ratchaburi Electric Services Company Limited in proportion of the Company's shareholding of 50%. There are no specific amounts of financial supports specified in the agreement. As at 31 March 2010, the Company has not provided any loans or guarantees according to the agreement.

Agreements in relation to investment in SouthEast Asia Energy Limited

On 26 May 2006, the Company entered into the Equity Contribution Agreement between shareholders and lenders from financial institutions so as to obligate the capital contribution payment to SouthEast Asia Energy Limited, a jointly-controlled entity. The Company has total commitments to pay capital contribution to such jointly-controlled entity of Baht 2,202.25 million. As at 31 March 2010, the Company has outstanding commitments amounting to Baht 229.63 million.

Ratchaburi Electricity Generating Holding Public Company Limited and its Subsidiaries
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Operation and Maintenance Agreement and Other Service Agreements

On 25 June 2009, RATCH-Lao Services Company Limited entered into the Operation and Maintenance Agreement of the hydroelectric power plant with Nam Ngum 2 Power Company Limited. The contract is valid from 1 July 2009 until the end of the concession period under the concession agreement. In consideration thereof, EGAT will act as the subcontractor for the operation and maintenance of dam and powerhouse while RATCH-Lao Service Company Limited will provide building maintenance, facilities and other management services. The initial operation and maintenance services fee are approximately Baht 3,200 million, which will be adjusted by the rates as stipulated in the agreement. On 26 June 2009, RATCH-Lao Services Company Limited entered into the Subcontract Agreement on operation and maintenance of such hydroelectric power plant with EGAT whereby EGAT will operate and provide general maintenance services to Nam Ngum 2 Power Company Limited. The contract is valid from 1 July 2009 until the concession period under the concession agreement with initial approximate contract price of Baht 2,000 million, which will be adjusted by the rates as stipulated in the agreement.

4 Current and long-term investments

At the meeting of the Board of Director's of Ratchaburi Electricity Generating Company limited, a subsidiary, held on 11 July 2005 the Board of Director approved the policy to maintain cash reserves for repayment of principal and interest in the next quarter. As at 31 March 2010, such reserves amounting to Baht 776.43 million were included in cash and cash equivalents, current investments and long-term investments (*As at 31 December 2009: Baht 798.00 million*).

5 Investments in subsidiaries

	Separate financial statements	
	2010	2009
	<i>(in thousand Baht)</i>	
<i>Subsidiaries</i>		
At 1 January	20,144,717	20,001,803
Acquisitions	-	-
At 31 March	<u>20,144,717</u>	<u>20,001,803</u>

Ratchaburi Electricity Generating Holding Public Company Limited and its subsidiaries
Notes to the interim financial statements
For the three-month period ended 31 March 2010 (Unaudited)

Investments in subsidiaries as at 31 March 2010 and 31 December 2009, and dividend income from those investments for the three-month periods ended 31 March 2010 and 2009 were as follows:

	Ownership Interest		Separate financial statements						Dividend income for the three-month ended	
			Paid-up capital		Cost method		Impairment		At cost - net	
	31 March 2010	31 December 2009	31 March 2010	31 December 2009	31 March 2010	31 December 2009	31 March 2010	31 December 2009	31 March 2010	31 March 2009
	(in thousand Baht)									
Direct subsidiaries										
Ratchaburi Electricity Generating Company Limited	99.99	99.99	18,275,000	18,275,000	18,275,000	18,275,000	-	-	18,275,000	18,275,000
Ratchaburi Gas Company Limited	99.99	99.99	1,165,903	1,165,903	1,165,903	1,165,903	-	-	1,165,903	1,165,903
Ratch Udom Power Company Limited	99.99	99.99	420,900	420,900	420,900	420,900	-	-	420,900	420,900
Ratchaburi Energy Company Limited	99.99	99.99	265,000	265,000	265,000	265,000	-	-	265,000	265,000
RATCH-Lao Services Company Limited	99.99	99.99	16,664	16,664	16,664	16,664	-	-	16,664	16,664
RH International Corporation Limited	99.99	99.99	1,250	1,250	1,250	1,250	-	-	1,250	1,250
Total			<u>20,144,717</u>	<u>20,144,717</u>	<u>20,144,717</u>	<u>20,144,717</u>	<u>-</u>	<u>-</u>	<u>20,144,717</u>	<u>20,144,717</u>
									<u>596,882</u>	<u>1,274,902</u>

Ratchaburi Electricity Generating Holding Public Company Limited and its subsidiaries
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Investment in RH International Corporation Limited

On 28 October 2009, the Company established RH International Corporation Limited in order to invest in overseas. The registered capital of such company was Baht 5 million, comprising 500,000 ordinary shares at par value of Baht 10 per share. The Company paid for paid-up share capital of Baht 2.5 each, amounting to Baht 1.25 million, in the proportion of investment of 99.99%. As at 31 March 2010, the Company had commitments for the remaining unpaid-share capital of Baht 3.75 million.

Increase in share capital of Ratchaburi Energy Company Limited

At the extraordinary shareholders' meetings of Ratchaburi Energy Company Limited held on 14 September 2009, the shareholders unanimously approved to increase the authorised share capital from Baht 140 million, comprising 14 million shares at par value of Baht 10 per share, to Baht 640 million, comprising 64 million shares at par value of Baht 10 per share by issuance of new ordinary shares totaling 50 million shares at par value of Baht 10 per share and called up at Baht 2.5 per share amounting to Baht 125 million. The increase in authorised share capital was registered with the Ministry of Commerce on 15 September 2009. As at 31 March 2010, the Company had commitments for the remaining unpaid-share capital of Baht 375 million.

Dividends from subsidiary

At the annual general meeting of the shareholders of a subsidiary held on 16 March 2010, the shareholders approved the appropriation of dividends from the net profit of 2009 of Baht 2.74 per share, totalling Baht 5,014.57 million, after deducting the interim dividend of Baht 2.41 per share, amounting to 4,417.69 million from the net profit for nine-month period ended 30 September 2009. The balance of dividends, amounting to Baht 596.88 million, will be paid to shareholders during September 2010.

At the annual general meeting of the shareholders of a subsidiary held on 17 March 2009, the shareholders approved the appropriation of dividends from the net profit of 2008 of Baht 2.97 per share, totalling Baht 5,424.18 million, after deducting the interim dividend of Baht 2.27 per share, amounting to 4,149.28 million from the net profit for nine-month period ended 30 September 2008. The balance of dividends, amounting to Baht 1,274.90 million, was paid to shareholders during May 2009.

6 Investments in jointly-controlled entities

	Consolidated		Separate	
	financial statements		financial statements	
	2010	2009	2010	2009
	<i>(in thousand Baht)</i>			
At 1 January	9,493,610	7,362,008	1,914,883	1,387,507
Share of net profit of				
Investment - equity method	340,160	126,032	-	-
Payment for additional shares	83,231	269,608	69,730	269,607
Dividend income	(450,000)	(15,000)	-	-
At 31 March	<u>9,467,001</u>	<u>7,742,648</u>	<u>1,984,613</u>	<u>1,657,114</u>

Ratchaburi Electricity Generating Holding Public Company Limited and its subsidiaries
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Investments in jointly-controlled entities as at 31 March 2010 and 31 December 2009, and dividend income from those investments for the three-month periods ended 31 March 2010 and 2009 were as follows:

Consolidated financial statements													
	Ownership interest		Paid-up capital		Cost method		Equity method		Impairment		At equity - net		Dividend income for the three-month ended
	31 March 2010	31 December 2009	31 March 2010	31 December 2009	31 March 2010	31 December 2009	31 March 2010	31 December 2009	31 March 2010	31 December 2009	31 March 2010	31 December 2009	31 March 2010
(in thousand Baht)													
Jointly-controlled entities													
Tri Energy Company Limited	50	50	3,618,420	3,618,420	1,809,210	1,809,210	4,547,290	4,391,177	-	-	4,547,290	4,391,177	-
Ratchaburi Power Company Limited	25	25	7,325,000	7,325,000	1,831,250	1,831,250	2,847,488	3,085,872	-	-	2,847,488	3,085,872	450,000
Chubu Ratchaburi Electric Services Company Limited	50	50	20,000	20,000	10,000	10,000	83,850	69,949	-	-	83,850	69,949	-
SouthEast Asia Energy Limited	33.33	33.33	5,917,861	5,708,669	1,972,620	1,902,890	1,898,570	1,833,490	-	-	1,898,570	1,833,490	-
Sustainable Energy Corporation Co., Ltd.	30	30	75,000	75,000	126,000	112,500	124,019	111,264	-	-	124,019	111,264	-
Hongsa Power Company Limited	40	40	3,407	3,407	1,363	1,363	(34,815)	1,259	-	-	(34,815)	1,259	-
Phufai Mining Company Limited	37.5	37.5	1,679	1,679	630	630	599	599	-	-	599	599	-
Total					5,751,073	5,667,843	9,467,001	9,493,610	-	-	9,467,001	9,493,610	450,000
													15,000

Ratchaburi Electricity Generating Holding Public Company Limited and its subsidiaries
Notes to the interim financial statements
For the three-month period ended 31 March 2010 (Unaudited)

Separate financial statements										
Ownership interest	Paid-up capital		Cost method		Impairment		At cost - net		Dividend income for the three-month ended	
	31 March 2010	31 December 2009	31 March 2010	31 December 2009	31 March 2010	31 December 2009	31 March 2010	31 December 2009	31 March 2010	31 March 2009
(in thousand Baht)										
<i>Jointly-controlled entities</i>										
Chubu Ratchaburi Electric Services Company Limited	50	20,000	20,000	10,000	-	-	10,000	10,000	-	15,000
SouthEast Asia Energy Limited	33.33	5,917,861	5,708,669	1,972,620	-	-	1,972,620	1,902,890	-	-
Hongsa Power Company Limited	40	3,407	3,407	1,363	-	-	1,363	1,363	-	-
Phufai Mining Company Limited	37.5	1,679	1,679	630	-	-	630	630	-	-
Total				1,984,613	-	-	1,984,613	1,914,883	-	15,000

Ratchaburi Electricity Generating Holding Public Company Limited and its subsidiaries
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Payment for additional paid-up share of jointly-controlled entities

During the 1st quarter of 2010, SouthEast Asia Energy Limited, a jointly-controlled entity, called for additional paid-up share capital. The Company paid for the additional paid-up share capital amounting to Baht 69.73 million, in the proportion of investment of 33.33%.

During the 1st quarter of 2010, Sustainable Energy Corporation Company Limited, a jointly-controlled entity, called for additional paid-up share capital. Ratchaburi Energy Company Limited, a subsidiary, paid for the additional paid-up share capital amounting to Baht 13.50 million, in the proportion of investment of 30%.

7 Investment in other company

On 12 October 2009, the Company entered into the Joint Venture Agreement to establish EGAT Diamond Service Company Limited in order to provide maintenance services of gas turbine. The registered capital of such company was Baht 623 million, comprising 6.23 million ordinary shares at par value of Baht 100 per share. The Company paid for paid-up share capital of Baht 56.35 each, amounting to Baht 35.11 million, in the proportion of investment of 10%. As at 31 March 2010, the Company had commitments for the remaining unpaid-share capital of Baht 27.19 million (*As at 31 December 2009: Baht 27.19 million*).

8 Property, plant and equipment

Acquisitions, disposals and transfers of property, plant and equipment during the three-month periods ended 31 March 2010 and 2009 were as follows:

	Consolidated financial statements			
	2010		2009	
	Acquisitions and transfers in - at cost	Disposals and transfers out - net book value (in thousand Baht)	Acquisitions and transfers in - at cost	Disposals and transfers out - net book value
Land	4,313	-	-	-
Buildings and building improvements	1,495	-	-	-
Power plants, substation & transmission system and operating & maintenance equipment	35,872	-	-	128
Office equipment	6,188	-	749	-
Vehicles	-	391	3,686	598
Construction in progress	7,595	43,182	10,952	-
Total	55,463	43,573	15,387	726

	Separate financial statements			
	2010		2009	
	Acquisitions and transfers in - at cost	Disposals and transfers out - net book value (in thousand Baht)	Acquisitions and transfers in - at cost	Disposals and transfers out - net book value
Office equipment	244	-	152	-
Vehicles	-	-	3,686	597
Construction in progress	793	-	3,899	-
Total	1,037	-	7,737	597

Ratchaburi Electricity Generating Holding Public Company Limited and its subsidiaries
Notes to the interim financial statements
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As at 31 March 2010, land, buildings, power plant and equipment of Ratchaburi Electricity Generating Company Limited, a subsidiary, totaling Baht 36,580.95 million, have been mortgaged and pledged as collateral in accordance with the long-term loans agreements (*As at 31 December 2009: Baht 37,216.96 million*).

9 Other non-current assets

	Consolidated financial statements		Separate financial statements	
	31 March 2010	31 December 2009	31 March 2010	31 December 2009
	<i>(in thousand Baht)</i>			
Development cost-Hongsa Lignite Project	800,000	639,000	800,000	639,000
Development cost-Nam Ngum 3 Project	171,133	151,652	171,133	151,652
Development cost- Xe-Pian Xe-Namnoy Project	57,381	54,036	57,381	54,036
Deferred charges	842,675	838,220	-	-
Others	8,621	14,395	8,104	13,878
Total	<u>1,879,810</u>	<u>1,697,303</u>	<u>1,036,618</u>	<u>858,566</u>

Joint Development Agreement in relation to Lignite Mining Project and the Lignite-Fired Power Project (Hongsa Lignite Project)

On 11 December 2007, the Company entered into a Joint Development Agreement (“JDA”) with Banpu Power Limited (a subsidiary of Banpu Public Company Limited) with the purpose of joint completing the development of the Lignite-Fired Power Project and the Lignite Mining Project at Hongsa District, Sayaboury Province, Lao People’s Democratic Republic (“Lao PDR”) as the Head of Agreement (Project Development Agreement) dated 18 December 2006 between the Government of the Lao People’s Democratic Republic (“GOL”) and Banpu Power Limited in developing two projects, being the Lignite-Fired Power Project and the Lignite Mining Project. Such agreement was approved by GOL on 10 January 2008. The remaining interests of 20% and 25% in the Lignite-Fired Power Project and Lignite Mining Project, respectively are held by Lao Holding State Enterprise (“LHSE”), and nominated by GOL.

According to the Joint Development Agreement, the Company has commitments to responsible for project development costs whereby the Company and Banpu Power Limited shall share the costs and expenses equally. As at 31 March 2010, the Company had paid project development costs of such projects totaling Baht 800 million (*As at 31 December 2009: Baht 639 million*). In addition, the Company has commitments to provide financial support equally in the form of loans to LHSE for its administrative expenses during the development of the project until LHSE receives dividends from the Project Company. The amounts of financial support are preliminarily estimated at U.S. Dollars 410,000 (U.S. Dollars 205,000 for the Company’s portion) and can be adjusted to the requirements of LHSE. In addition, the Company agreed to pay the Joint Development Right Fee on the participation of the Hongsa Lignite Project amounting to U.S. Dollars 20 million. The Company made an initial payment for U.S. Dollars 1 million. Next installment payment is due after the signing of the Power Purchase Agreement between the Project company and EGAT with the last payment occurring upon the financial close. The Company has recorded the full amount for these transactions in relation to this project under “other non-current assets” in the financial statements.

On 1 December 2008 and 30 January 2009, the Company and Banpu Power Limited entered into the First and the Second Amendments to the Joint Development Agreement dated 11 December 2007.

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On 13 May 2009, the Company and Banpu Power Limited entered into a Tariff Memorandum of Understanding (Tariff MOU) with EGAT. Under such MOU, the Company issued letter of guarantee which was issued by a local bank to EGAT amounting to Baht 73.65 million. Subsequently on 2 April 2010, such letter of guarantee had been returned after signing Power Purchase Agreement with EGAT.

On 15 July 2009, the Company, Banpu Power Limited and LHSE established Hongsa Power Company Limited under the laws of Lao People's Democratic Republic with the initial authorised share capital of U.S. Dollars 100,000 so as to acquire power concession of the Hongsa Lignite Project. The Company, Banpu Power Limited and LHSE will hold 40%, 40% and 20% of the company's ordinary shares, respectively. The Company fully paid for the paid-up share capital in September 2009.

On 20 August 2009, the Company and Banpu Power Limited entered into a loan agreement with Hongsa Power Company Limited for credit line of Baht 3,070 million for use as working capital during the project development process, with interest at the rates as stipulated in the agreement. Such loan will be repayable when the jointly-controlled entity receives the loan approval from the financial institutions.

On 1 September 2009, the Company, Banpu Power Limited and LHSE established Phufai Mining Company Limited under the laws of Lao People's Democratic Republic with the initial authorised share capital of U.S. Dollars 50,000 so as to acquire mining concession of the Hongsa Lignite Project. The Company, Banpu Power Limited and LHSE will hold 37.5%, 37.5% and 25% of the company's ordinary shares, respectively. The Company fully paid for such share capital in November 2009.

Hydro Power Plant Project, Nam Ngum 3

In accordance with the Memorandum of Understanding ("MOU") on the joint project development - Hydro Power Plant Project, Nam Ngum 3 dated 26 April 2005 between the Company, GMS Lao Company Limited and Marubeni Corporation, the Company has committed to pay project development cost of this project in the proportion of 32.47%. The Company will be able to transfer the project development costs which were already paid as equity of the formed company which will be established to engage in and pursue project management of the Hydro Power Plant Project, Nam Ngum 3.

On 18 December 2006, the Company, GMS Lao Company Limited and Marubeni Corporation entered into a Memorandum of Understanding with EGAT in relation to the sales and purchases of power from Hydro Power Plant Project, Nam Ngum 3, located in the Laos People's Democratic Republic. The agreement period shall be 27 years with the commercial operation date expected to be in 2013. This project has total capacity of 440 megawatts and the total project cost of approximately U.S. Dollars 708 million. However, this Memorandum of Understanding expired on 18 June 2008. Subsequently on 11 March 2010, the new tariff MOU has been signed.

On 13 May 2008, the Company entered into a Shareholders Agreement with the other three shareholders, GMS Lao Company Limited, Marubeni Corporation, and Lao Holding State Enterprise, to form a company under the policies and laws of Lao People's Democratic Republic with the initial authorised share capital of approximately U.S. Dollars 9 million, comprising 90,000 ordinary shares with a par value of U.S. Dollars 100 per share. The Company will hold 25% of the company's ordinary shares. The formed company will be established to engage in and pursue project management of the Hydro Power Plant Project, Nam Ngum 3. At present, this project is in the process of being established.

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On 13 May 2008, the Company and Marubeni Corporation entered into a Financial Support Agreement with GMS Lao Company Limited in order to provide financial support for share capital payment for Hydro Power Plant Project, Nam Ngum 3 to GMS Lao Company Limited. The Company has committed to provide financial support in the form of collateral or guarantee and direct funding for the total initial amount of not exceeding U.S. Dollars 1.22 million. As at 31 March 2010, the Company had not yet provided any guarantee or loan in accordance with the conditions under this agreement.

Xe-Pian Xe-Namnoy, Hydroelectric Power Project

On 14 November 2008, the Company entered into a Project Development Agreement with SK Engineering & Construction Co., Ltd., Korea Western Power Co., Ltd and the Government of the Laos People's Democratic Republic (Lao PDR) in order to jointly develop Xe-Pian Xe-Namnoy, Hydroelectric Power Project located in Attapeu and Champassak districts. This is in accordance with the Joint Development Agreement that the Company entered on 6 August 2007 with the proportion of investment of 25%.

10 Short-term loan from financial institution

As at 31 March 2010, Ratchaburi Electricity Generating Company Limited, a subsidiary, obtained a short-term loan from a local financial institution amounting to Baht 1,550 million which bear interest at the rate of 1.35% per annum.

11 Segment information

The Group/Company operates in a single line of business, power plant business. Therefore, management considers that the Group/Company operates in a single line of business. In addition, the Group/Company operates its principle business in Thailand. Therefore, the management considers that the Group/Company operates in a single geographic area.

12 Basic earnings per share

The calculation of basic earnings per share for the three-month periods ended 31 March 2010 and 2009 was based on the net profit for the period attributable to equity holders of the Company and the number of ordinary shares outstanding during the period as follows:

	Consolidated financial statements		Separate financial statements	
	2010	2009	2010	2009
	<i>(in thousand Baht / thousand shares)</i>			
Profit attributable to equity holders of the Company	<u>1,457,275</u>	<u>1,843,281</u>	<u>594,922</u>	<u>1,309,351</u>
Number of ordinary shares outstanding	<u>1,450,000</u>	<u>1,450,000</u>	<u>1,450,000</u>	<u>1,450,000</u>
Basic earnings per share (Baht)	<u>1.01</u>	<u>1.27</u>	<u>0.41</u>	<u>0.90</u>

13 Dividends

At the annual general meeting of the shareholders of the Company held on 29 March 2010, the shareholders approved the appropriation of dividend of Baht 2.25 per share, totalling Baht 3,262.50 million, from the net profit of 2009 after deducting the interim dividends of Baht 1.10 per share, totalling Baht 1,595 million, paid to shareholders in September 2009 from the net profit for the six-month period ended 30 June 2009. The balance of dividend amounted to Baht 1,667.50 million which will be paid to shareholders in April 2010.

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At the annual general meeting of the shareholders of the Company held on 31 March 2009, the shareholders approved the appropriation of dividend of Baht 2.20 per share, totalling Baht 3,190 million, from the net profit of 2008 after deducting the interim dividends of Baht 1.10 per share, totalling Baht 1,595 million, paid to shareholders in September 2008 from the net profit for the six-month period ended 30 June 2008. The balance of dividend amounted to Baht 1,595 million which was paid to shareholders in April 2009.

14 Commitments with non-related parties

Operation and Maintenance Agreement and Other Service Agreement

On 10 March 2008, Ratchaburi Energy Company Limited, a subsidiary, entered into an Operation and Maintenance Agreement with a service provider having operation service fee of approximately Baht 2.58 million per year. The agreement is effective for a period of one year. On 1 April 2010, both companies renewed the period of such agreement up to 31 December 2010 with service fee of approximately Baht 2.76 million per year. As at 31 March 2010, the subsidiary had outstanding commitments amounting to Baht 2.07 million (*As at 31 December 2009: Baht 0.65 million*).

Fuel Purchase Agreements

On 27 October 2000, Ratchaburi Electricity Generating Company Limited, a subsidiary, entered into a 25-year Gas Sales Agreement with PTT Public Company Limited ("PTT") whereby PTT will supply natural gas to the subsidiary at an agreed quantity and price.

On 1 June 2004, Ratchaburi Electricity Generating Company Limited, a subsidiary, entered into a 3-year Diesel Purchase Agreement with PTT Public Company Limited ("PTT"), which can be extended for a period of one year until the end of contract. However, without the three-month advance written notice designated the intention to terminate the contract from PTT, PTT would sell diesel to the subsidiary at the agreed quantity and price as stated in the contract.

On 17 January 2006, Ratchaburi Energy Company Limited, a subsidiary, entered into a Gas Sales Agreement (gas is a by-product from crude oil production) with PTTEP Siam Company Limited and PTT Exploration and Production Public Company Limited for its 2 Megawatts power plant project with the initial price of Baht 26.65 per 1 million B.T.U. for eight years from the date of commencement of commercial operation, which was 27 June 2007.

Contractual Service Agreement

On 29 December 2005, Ratchaburi Electricity Generating Company Limited, a subsidiary, entered into a Contractual Service Agreement for the Combined Cycle Generating Power Plant between the subsidiary and the Consortium of General Electric International Operations Co., Inc. and GE Energy Parts, Inc. The agreement is effective from the agreement date until the end of the operation of gas turbine according to Power Purchase Agreement in year 2027 with a total contract price of US Dollars 428.60 million with adjustments as conditions specified in the agreement. As at 31 March 2010, such subsidiary had outstanding commitments amounting to US Dollars 312.33 million (*As at 31 December 2009: US Dollars 317.33 million*).

On 1 November 2007, Ratchaburi Electricity Generating Company Limited, a subsidiary, entered into a Contractual Service Agreement for the Combined Cycle Generating Power Plant with GE Energy Parts, Inc. which is the additional extra work under a Contractual Service Agreement. As at 31 March 2010, such subsidiary had outstanding commitments amounting to US Dollars 1.55 million (*As at December 2009: US Dollars 1.55 million*).

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Capital commitment

As at 31 March 2010, the Company had outstanding capital commitments amounting to Baht 0.45 million (*As at December 2009: Baht 13.43 million*).

As at 31 December 2009, Ratchaburi Power Company Limited, a jointly-controlled entity, had outstanding capital commitment totaling Baht 6.82 million.

As at 31 March 2010, a subsidiary of SouthEast Asia Energy Limited, which is the Company's jointly-controlled entity, had outstanding capital commitment under the significant agreements in the investing proportion as follows:

- (a) Nam Ngum 2 Hydro Power Plant constructing agreement with a related party of approximately totaling Baht 233.01 million and U.S. Dollars 4.53 million presently, under construction (*As at December 2009: approximately Baht 343.40 million and U.S. Dollars 7.37 million*).
- (b) Consulting and Other Service Agreement for Hydro Power Plant Project Nam Ngum 2 and Hydro Power Plant Project Nam Barg 1-2 of Baht 30.86 million, Swiss Franc 0.57 million, and U.S. Dollars 0.07 million presently, under construction (*As at 31 December 2009: Baht 49.20 million, Swiss Franc 0.77 million, and U.S. Dollars 0.1 million*).

Pledge of share agreement

On 15 November 2005, the Board of Directors' meeting of Ratchaburi Alliances Company Limited, a subsidiary, approved to pledge all of share certificates of Ratchaburi Power Company Limited, jointly-controlled entity, held by such subsidiary as collateral for loans.

Ratchaburi Gas Company Limited has pledged all of share certificates of Tri Energy Company Limited, jointly-controlled entity, as collateral for loans from such jointly-controlled entity.

SouthEast Asia Energy Limited, a jointly-controlled entity, has pledged partially its share certificates and all of share certificates of Nam Ngum 2, a subsidiary of the jointly-controlled entity, as collateral for its loans and the subsidiary of the jointly-controlled entity's loans.

15 Events after the reporting period

On 2 April 2010, Hongsa Power Company Limited, a jointly-controlled entity, entered into Power Purchase Agreement with EGAT for Hongsa project. The agreement will be effective for the period of 25 years commencing from the commercial operation date.

On 19 April 2010, the Company paid for the additional paid-up share capital of 120.23 million shares at par value of Baht 10 each to SouthEast Asia Energy Limited, a jointly-controlled entity, of Baht 0.21 each amounting to Baht 25.25 million in the proportion of investment of 33.33%.

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16 Reclassification of accounts

Certain accounts in the balance sheet as at 31 December 2009 and the statement of income for the three-month periods ended 31 March 2009 have been reclassified to conform to the presentation in the 2010 interim financial statements as follows:

	2009			2009		
	Consolidated financial statements			Separate financial statements		
	Before reclass.	Reclass.	After reclass.	Before reclass.	Reclass.	After reclass.
<i>(in thousand Baht)</i>						
Balance sheet						
Trade account receivable from related party	5,213,512	951	5,214,463	-	-	-
Advances to and other receivable from related parties	18,920	(951)	17,969	-	-	-
Trade account payable to related party	-	202,687	202,687	-	-	-
Trade account payable to other party	3,746,861	(202,376)	3,544,485	-	-	-
Other current liabilities	1,217,371	(311)	1,217,060	-	-	-
		<u>-</u>			<u>-</u>	
Statement of income						
Administrative expenses	143,246	(1,166)	142,080	78,374	(1,166)	77,208
Management benefits expenses	25,085	1,166	26,251	16,939	1,166	18,105
		<u>-</u>			<u>-</u>	

The reclassifications have been made to comply with the classification set out in the Pronouncement of the Department of Business Development *Re: Determination of items in the financial statements B.E. 2552* dated 30 January 2009 and because in the opinion of management, the new classification is more appropriate to the Group's business.